

Mike Huckabee, Governor

Julie Benafield Bowman, Commissioner



State of
ARKANSAS
Insurance
Candidate Handbook

September 2006

QUICK REFERENCE

TABLE OF CONTENTS

PRINT

Quick Reference

■ RESERVATIONS

Before making an exam reservation

Candidates should thoroughly review this handbook, which contains important information regarding eligibility and the examination and licensing application process.

Making an exam reservation

Candidates may make a reservation by:

- Calling Promissor at (888) 204-6259
- Faxing the Fax Reservation Form (from Appendix) to Promissor at (800) 274-8920

Candidates should make a reservation by phone at least one (1) business day before the desired examination date, or by fax at least four (4) business days before the desired examination date. **Walk-in examinations are not available.**

■ SCHEDULES & FEES

Promissor Test Centers

A list of Promissor Test Centers appears on the back cover of this handbook. Candidates should contact Promissor to confirm specific locations and examination schedules.

Exam fees

Fees vary by examination type (as detailed on the back cover of this handbook). Fees for the first examination attempt must be sent with the license application; fees for subsequent attempts must be paid at the time of reservation by credit card, debit card, voucher or electronic check. **Payment will not be accepted at the test center.** Examination fees are non-refundable and non-transferable.

■ EXAM DAY

What to bring to the exam

Candidates should bring to the examination the confirmation number they received when they made the examination reservation, proper identification and other materials as detailed in *What to Bring* (page 6).

Exam procedures

Candidates should report to the Promissor Test Center at least thirty (30) minutes before the examination begins to complete registration. The time allotted for the examination is detailed on page 8, and each candidate will leave the test center with an official score report in hand.

Contact Information

FOR EXAMS

Candidates may contact Promissor with questions about this handbook or about an upcoming examination.

Promissor Arkansas Insurance

PO Box 8588
Philadelphia, PA 19101-8588
(888) 204-6259
www.promissor.com

FOR STATE LICENSING

Candidates may contact the Arkansas Insurance Department with questions about obtaining or maintaining a license after they have passed the examination.

Arkansas Insurance Department

1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2750
www.insurance.arkansas.gov

A Message from the State Insurance Commissioner

Dear Insurance Producer Candidate:

I want to personally congratulate you on your decision to consider insurance as a viable career option. You may be interested in knowing that the insurance industry in the State of Arkansas generates more than \$7 billion in annual premium.

Should you decide that becoming a Producer is the right choice for you, you will be happy to know that thousands more have made that decision as well. There are more than 1,400 companies licensed in the State of Arkansas and more than 40,000 producers licensed to sell insurance in this state.

I believe you will find the License Division of the Arkansas Insurance Department very helpful to you as you pursue your quest to engage in the business of insurance. The professionals in this Division are extremely knowledgeable about the licensing process and will assist you as you acquire your various licenses and renewals.

Again, congratulations on what I believe you will discover is a great career choice. The Arkansas Insurance Department looks forward to working with you.

Very truly yours,

Julie Benafield Bowman

Instructions for Completing a License Application

Certain information requested on the application is required and must be complete before the application will be processed. Requested information that is not required and does not apply to the applicant may be answered "N/A". For example, an e-mail address is requested but it is not required, and candidates may either provide one or answer "N/A". If the Department has your e-mail address, we can send e-mail notices of important changes to laws and rules that govern your license.

Since the application is a legal document, corrections should be made by drawing one line through the incorrect information. Applicants may not scratch out information or use liquid paper. **Illegible applications will be returned unprocessed.**

ALL of the following information is required.

Page 1:

- 1.....Social Security number
- 3.....Are you affiliated with a financial institution/bank?
- 4., 5.....Last Name, First Name
- 7.....Date of Birth
- 8.....Resident/Home Address (This must be a physical address and not a P.O. Box.)
- 10.,11.,12.....City, State and ZIP
- 13.....Home phone number.
- 14.....Gender
- 15.....Are you a citizen of the United States? If you are not a citizen, attach a copy of your permit to live and work in the United States.
- 26.....Applicant's mailing address (A P.O. box is acceptable only for receipt of mail.)
- 28.,29.,30.....City, state, ZIP
- 32.....Agency or business entity affiliation (Completing this field will not put you on an agency license. The agency must submit an additional form #AID-LI-UBE-ADD and fee. Form can be found on the Department's Web site (www.insurance.arkansas.gov) under License Division then License Forms.)
- 33.....Employment History. A full 5 years' employment history is required and the dates must be consistent. Begin with the present, work backwards, including unemployment, military service or full time education. You may add continue on a piece of paper and attach to the application if necessary.

Page 2:

- 34a.....Type of License (Should be "Producer.")
- 34b.....List the Lines of Authority. There are two types of Property Casualty (Multi-Line) lines of authority. One includes Commercial Line and Personal Lines coverages. Personal Lines (only) does not include commercial lines. If you take Personal Lines (only) you will not be able to sell commercial coverages unless you retest.
- 34c.....Have you ever or are you currently licensed as agent, producer, consultant or broker in Arkansas? If yes, list the dates and type of license.
- 34d.....Have you ever or are you currently licensed as agent, producer, etc in another state? (If you have been licensed in another state in the last 5 years, include a clearance letter from the state.)

Page 3:

Required Documentation

If you answer any of the questions yes, you must attach a statement detailing what occurred and the outcome of the occurrence. The application indicates what additional documentation is required with the exception of 35.7 and if you answer yes, attach a statement regarding the reason for the arrearage, and documentation from Child Support Enforcement showing your current status of arrearage.

Page 4:

The application must be dated and signed with your full legal name. Do Not print. It must be a wet signature and not a stamp. The next line must contain your full legal name, printed or typed.

Questions regarding the completion of an application should be addressed to the Promissor Processing Center at (501) 663-2878 or to the Arkansas Insurance Department License Division at (501) 371-2750.

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Introduction

The Licensure Process

Licensure is the process by which an agency of state government or other jurisdiction grants permission to individuals to engage in the practice of, and prohibits all others from legally practicing, a particular profession, vocation, or occupation. By ensuring a minimum level of competence, the licensure process protects the general public. The state regulatory agency is responsible for establishing the acceptable level of safe practice and for determining whether an individual meets that standard.

The state of Arkansas has retained the services of Promissor to develop and administer its insurance licensing examination program. Promissor is a leading provider of assessment services to regulatory agencies and national associations.

Contact Information

Candidates may contact Promissor with questions about this handbook or an examination, or may contact the Arkansas Insurance Department with questions about obtaining or maintaining a license.

Arkansas Insurance Department

1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2750
(501) 371-2618 (fax)

Arkansas Web Site

www.insurance.arkansas.gov

Promissor

Arkansas Insurance
PO Box 8588
Philadelphia, PA 19101-8588
(888) 204-6259

Promissor Processing Center

University Towers
1123 South University Avenue
Suite 915
Little Rock, AR 72204

Promissor Web site

www.promissor.com

Exam Eligibility

The Arkansas Insurance Department requires a specific program of prelicensing education for candidates seeking licensure in Life, Health, Multi-Line and Personal Lines insurance. Candidates should refer to *State Licensing Requirements* on page 2.



PRACTICE TESTS

Promissor's well-known practice tests are now offered exclusively online (www.promissor.com), giving candidates even more opportunity to succeed on insurance examinations.

Our practice tests will not only prepare candidates for the types of questions they will see on the licensure exam, but also familiarize them with taking computer-based examinations.

Promissor offers practice tests in the areas of Life, Health, and Property and Casualty that contain questions developed by subject matter experts using concepts found in the general portion of the licensure examination. These practice tests contain sample questions typical of actual state-specific questions. The tests closely reflect the format of the real licensure examination, can be scored instantly, and provide immediate feedback to help candidates identify correct and incorrect answers. Candidates can purchase practice tests anytime at www.promissor.com.

State Licensing Requirements

Licensure in Arkansas

Applicants who would like to transact insurance business as an insurance producer in Arkansas must fulfill prelicensing education requirements, apply for a license (by completing a license application), pass the appropriate examination, and be appointed by an insurance company.

Applicants must possess a certificate of completion of prelicensing education before they may take the licensing examination. The specific form required varies depending on the line of insurance, as follows:

Form Name	Line of Insurance
Appendix 3A	Life
Appendix 3B	Accident, Health, Sickness
Appendix 3C	Property/Casualty (Multi-Line including commercial lines)
Appendix 3D	Property
Appendix 3E:	Property/Casualty (Personal Lines only; no commercial lines)

License Applications

Applicants may obtain license applications from Promissor online at www.promissor.com, or by calling (888) 204-6259. Instructions for completing the application appear on page ii of this handbook, on the reverse of the Commissioner's message.

Resident License Application Procedures

- Applicants should review this handbook and the latest examination content outline supplement.
- Applicants may wish to go to the library to review a standard statute reference for Arkansas. Statutes are also available from the office of the Secretary of State for Arkansas.
- Applicants should submit the appropriate Arkansas license application, along with any required supporting documentation and the application fee, to the Promissor Processing Center at the address shown on page 1. Applicants must apply before actually taking the examination. The application fee is reflected on the chart on page 3 and must be in the form of a money order, certified check, insurance company check, or cashier's check. Personal checks, credit cards, and cash will not be accepted. Application fees are *nonrefundable* and *nontransferable*.
- Applicants must provide a clearance letter if they hold a license from another state and are moving to Arkansas. They should contact the Arkansas Department of Insurance to determine whether or not they must take an examination.
- Applicants must make a reservation for the appropriate examination.
- Applicants must present the required documentation at the Promissor Test Center and pass the examination.

Nonresident License Application Procedures

Information on obtaining a nonresident license is available on the Arkansas Insurance Department's Web page at www.insurance.arkansas.gov, or by calling the Department at (501) 371-2750.

Surplus Lines Exam/Licensing Requirements

Applicants must:

- Be currently licensed with Multi-line authority (Property, Casualty, Surety, and Marine) in Arkansas or another state for at least three (3) years
- File the required surety bond in the amount of \$50,000
- Be deemed by the Commissioner to be competent and trustworthy
- Complete and submit the proper application form (AID-LI-SLB (2/05)) and license fee to the Commissioner or the Commissioner's designee*
- Pass the Arkansas Surplus Lines examination

*The Surplus Lines application form requires documentation of the applicant's affiliation with a licensed Arkansas broker firm or corporation. Applicants may obtain this form by calling Promissor at (888) 204-6259.

Application Fees

Applicants affiliated with a licensed Arkansas broker firm or corporation \$1097
(includes \$1000 Surplus Lines license fee)

Retesting Fee (all Surplus Lines Examinations) \$72

Review of Applications and Issuance of Exam Permits

Applications received by Promissor will be reviewed for completeness and eligibility. Incomplete applications will be returned to the applicant with a request for completion. Application fees will not be refunded.

Applications that do not meet Department guidelines will be referred to the Arkansas Insurance Department, which will review and approve or decline applications. Applicants whose applications are approved by the Department will receive an examination permit from Promissor. Applicants whose applications are declined will receive notification directly from the Arkansas Insurance Department. Application fees will not be refunded to applicants whose applications are disapproved.

Promissor and the Arkansas Insurance Department will make every attempt to process all applications promptly. However, peak periods of application activity and the review of incomplete and/or ineligible applications may cause delays. In most cases, all applicants should receive written instructions from Promissor within five (5) business days. Applicants who do not receive information within 7 to 10 business days may call Promissor at (501) 663-2878 with questions.

Appointment Requirements

The state of Arkansas issues a permanent producer license. Licensees are required to carry this license and maintain accurate records of the insurance companies that have appointed them. An insurance company has fifteen (15) days to submit the producer's appointment to the Arkansas Department of Insurance. This 15-day submission will begin either from the day the insurance company signs a contract with the producer, or, upon the insurance company's receipt of the first piece of business from the producer.

A licensee who receives a permanent producer license should advise each company he/she wishes to represent of his/her qualifications and standing and ask for appointment. Arkansas insurance companies are required to submit the *Arkansas Request for Appointment* form for each producer they certify.

All appointments, Life and/or Health authorities, Property and Casualty are renewed annually on June 1. The payment of the appointment renewal fee is the responsibility of the insurance company.

Amended/Changed Authority

Insurance companies must send a new *Arkansas Request for Appointment* form for any producer whose authority is amended or changed. Fees for amending or changing authority are the same as for appointment (shown above).

Terminations

If an insurance company wishes to terminate an producer or agency, the *Arkansas Request for Company Cancellation* form (I-71) is required. The form is submitted at the time of termination, and a \$10 fee is required for each termination.

Administrative Support Services

The Arkansas Insurance Department will provide home state certification, clearance letters, or printouts of a producer's record. All administrative services requests must be forwarded to the Arkansas Insurance Department with the producer's name and Social Security number or license number. Fees vary. Producers may contact the Insurance Department for a current listing of these fees.

Change of Name or Address

Producers must report any change in address or name to the Arkansas Insurance Department within thirty (30) days of the change. Address changes can only be made by using the change of address form (which can be found at www.insurance.arkansas.gov under *License Division / License Forms*), or by email or fax. **Phone requests will not be accepted.**

Change of Agencies

The Arkansas Insurance Department should be notified immediately if the producer changes agencies.

Retake Requirements

- Candidates must retake the examination within ninety (90) days of the date of issuance of the original examination permit.
- Candidates may take the examination(s) a maximum of three (3) times within the ninety (90) day permit period.
- Candidates who fail the examination on the third attempt must wait four (4) weeks before retaking the examination, regardless of the status of their examination permit. This waiting period applies after every third unsuccessful attempt.
- Candidates who do not pass the examination within ninety (90) days, or who do not pass the examination after three attempts, **MUST** send an application and application fees to Promissor.

Exam Reservations

**Walk-in examinations are not available, so candidates must make a reservation.
Candidates are responsible for knowing which examination they must take.**

Phone Reservations

Candidates may call Promissor at (888) 204-6259* to make a reservation.

Promissor Call Center Hours	
Monday - Friday	7 am – 10 pm
Saturday	7 am – 4 pm
Sunday	9 am – 3 pm

Central time

Before calling, candidates should have the following:

- Legal name, address, Social Security number, daytime telephone number, and date of birth
- The name of the examination(s)
- The preferred examination date and test center (a list appears on the back cover of this handbook)
- A failing score report (if retaking an examination)

A call center representative will help candidates select a convenient examination date and location, and will answer questions. Reservations are made based on the next available examination date.

Candidates who wish to make a phone reservation should do so at least one (1) business day before the desired examination date.

*Telecommunication Devices for the Deaf

Promissor is equipped with TDD (Telecommunication Devices for the Deaf) to assist deaf and hearing-impaired candidates. TDD calling is available 8:00 am to 5:00 pm (EST) Monday through Friday, toll-free at (800) 274-2617. This TDD phone option is for individuals equipped with compatible TDD machinery.

Fax Reservations

Candidates may fax the Fax Reservation Form (found in the back of this handbook) to Promissor at (888) 204-6291, 24 hours a day, 7 days a week. A confirmation of the reservation will be returned by fax within 24 hours of receipt of the faxed request. Fax reservations should be made at least four (4) business days before the desired examination date.

Confirmation Number

Candidates will receive a confirmation number, which they should write down in the space provided and use for any contact with Promissor.

Confirmation Number:
Examination Date:
Promissor Test Center:
Call Center Representative:

Allowable Exam Combinations

Candidates may take up to two examinations at one examination session, except adjusters, who may take three examinations at one session. Candidates who wish to take more than two examinations must schedule additional examination sessions.

Exam Fees

The fee for the first examination attempt is included in the application fee. Fees for successive attempts are detailed on the back cover and must be paid at the time of reservation by credit card, debit card, voucher or electronic check. **Fees will not be accepted at the test center.** Examination fees are non-refundable and non-transferable, except as detailed in *Change/Cancel Policy*.

Electronic Checks

Candidates who choose to pay the examination fee by electronic check must have a personal checking account, and must provide to Promissor the following information:

- Bank name
- Social Security number or driver's license number
- Name and address on the account
- Account number

Using this information, Promissor can request payment from the candidate's bank account just as if the candidate had submitted an actual paper check.

Vouchers

Candidates may pre-pay examination fees and receive a voucher to use when they contact Promissor to make an examination reservation. The number listed on the voucher will be accepted by Promissor as payment for the examination fee.

Those who wish to purchase a voucher should send a *Voucher Request Form* (found in the back of this handbook), along with proper payment. Promissor will process voucher requests within one (1) week of receipt. Vouchers are valid for one (1) year from the issue date, and may be renewed or refunded.

Change/Cancel Policy

Candidates should call Promissor at (888) 204-6259 at least four (4) business days before the examination to change or cancel a reservation. Candidates who change or cancel a reservation with proper notice may either transfer the fee to a new reservation or request a refund. **Candidates who change or cancel a reservation without proper notice will forfeit the examination fee.**

If the exam is:	Candidates must call by the previous:
Monday	Wednesday
Tuesday	Thursday
Wednesday	Saturday
Thursday	Sunday
Friday	Monday
Saturday	Tuesday

This chart does not reflect holidays, which may increase the number of days' notice candidates must give.

Candidates are individually liable for the full amount of the examination fee once a reservation has been made either by the candidate or by a third party.

Absence/Lateness Policy

Candidates who are unable to attend a scheduled examination may be excused for the following reasons:

- Illness of the candidate or that of the candidate's immediate family member
- Death in the immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Military duty
- Weather emergency

Candidates who are absent from or late to an examination and have not changed or canceled the reservation according to *Change/Cancel Policy* will not be admitted to the examination and will forfeit the examination fee. Written verification and supporting documentation for excused absences must be submitted to Promissor within fourteen (14) days of the original examination date.

Weather Delays and Cancellations

If severe weather or a natural disaster makes the Promissor Test Center inaccessible or unsafe, the examination may be delayed or canceled. Candidates may call Promissor at (800) 274-2615 for details on delays and cancellations during severe weather.

Special Exam Requests & Services

Promissor complies with the provisions of the Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*) and Title VII of the Civil Rights Act, as amended (42 U.S.C. 2000e *et seq.*), in accommodating disabled candidates who need special arrangements to take an examination.

Candidates who require special arrangements due to impaired sensory, manual or speaking skills, or other disability, should fax the *Special Accommodations Request Form* (found in the back of this handbook) to Promissor.

The form must be accompanied by supporting documentation from a physician or other qualified professional reflecting a diagnosis of the candidate's condition and an explanation of the necessary examination aids or modifications. Promissor will provide auxiliary aids and services, except where such may fundamentally alter the examination or the outcome, or may result in an undue burden. The examination will be scheduled upon receipt of all required information by Promissor.

Candidates who have additional questions concerning ADA arrangements may contact the ADA Coordinator at (800) 274-3707. However, the *Special Accommodations Request Form*, along with the required supporting documentation, **MUST** be submitted to Promissor before any special examination arrangements can be finalized.

Promissor will determine the time and place of specially arranged examinations and will confirm these arrangements directly with the candidate. Candidates who need to retake an examination should notify Promissor that special arrangements were used for the previous examination.

Due to the unique nature of each special request, Promissor recommends that candidates request special services as early as possible. Promissor will make a concerted effort to provide reasonable accommodations as permitted by state licensing agencies and individual Promissor Test Center capabilities.

What to Bring

All candidates must bring to the test center on examination day certain items, as noted below.

Candidates with newly-issued examination permits must bring the following:

- Two forms of signature identification, one of which must be photo-bearing
- Certification of completion of prelicensing education (detailed in *Licensure in Arkansas* on page 2)

Candidates retaking an examination must bring the following:

- Two forms of signature identification, one of which must be photo-bearing
- Certification of completion of prelicensing education (if taking the Life, Health, Personal Lines and/or Multi-Line examination)

Candidates who do not present the required items will be denied admission to the examination, considered absent, and will forfeit the examination fee.

Exam Procedures

Candidates should report to the Promissor Test Center thirty (30) minutes before the examination and check in with the test center manager. The manager will review the candidate's identification and other documentation and photograph him/her for the score report.

After check-in, candidates will have an opportunity to take a tutorial on the personal computer (PC) on which the examination will be administered. The time spent on this tutorial will not reduce the time allotted for the examination. The examination proctors will answer questions, but candidates should be aware that the proctors are not familiar with the content of the examinations nor with the state's licensing requirements, and that they have been instructed not to advise candidates on requirements for licensure.

Candidates may begin the examination once they are familiar with the PC. The examination begins the moment a candidate looks at the first examination question. The time allotted for the examination varies, as detailed on page 8. After the examination time has expired, the examination will automatically end. Candidates will leave the Promissor Test Center with their official scores in hand.

About the Exam

The content of the general examination is based upon information obtained from a job analysis performed by Promissor. Responses from insurance professionals were analyzed to determine the nature and scope of tasks they perform and the knowledge and skills needed to perform them. This information is the basis upon which examination questions are written and ensures that examinations reflect the practice of insurance. The examination has been developed to reflect the laws, statutes and regulations for the practice of insurance in Arkansas, and has been reviewed and approved by Arkansas insurance professionals.

The passing score for the examination (70, or 75 for limited lines) is determined by the Arkansas Insurance Department. Through standardization and control, Promissor ensures that no individual has an unfair advantage or disadvantage because of a particular examination format.

Promissor maintains examination administration and examination security standards designed to ensure that all candidates are given the same opportunity to demonstrate their abilities and to prevent some candidates from gaining an unfair advantage over others because of irregularities or misconduct. Promissor routinely reviews irregularities and examination scores believed to be earned under nonstandard circumstances.

Promissor maintains the right to question any examination score whose validity is in doubt because the score may have been obtained unfairly. Promissor first undertakes a confidential review of the circumstances contributing to the questions about score validity. If there is sufficient cause to question the score, Promissor will refer the matter to the state licensing agency, which will make the final decision on whether or not to cancel the score.

The performance of all candidates is monitored and may be analyzed statistically for the purpose of detecting and verifying fraud. If it is determined that a score has questionable validity, the Insurance Department will be so notified and will determine whether the candidate's scores will be released.

The examination will contain *pretest questions* on which statistical information is being collected for use in constructing future examinations. Responses to pretest questions do not affect a candidate's score. Pretest questions are mixed in with the scored questions and are not identified.

Equating

There are multiple versions of each of the insurance licensing examinations. These versions are known as *forms*. Although all forms of an examination are developed based on the content outlines, the difficulty of the various forms of an examination may vary slightly because different questions appear on each form. To ensure that no candidate is put at an unfair advantage or disadvantage due to the particular form of an examination, a statistical procedure known as *equating* is used to correct for differences in form difficulty.

All examination questions, each form of the examination, and any other examination materials are copyrighted and are the property of Promissor. Consequently, any distribution of the examination content or materials through any form of reproduction or oral or written communication is strictly prohibited and punishable by law.

Score Reporting

When candidates complete the examination, they will receive a score report marked “pass” or “fail.” Candidates who fail the examination will receive a score report that includes a numeric score and diagnostic information relating to the general portion of the examination, as well as information about reexamination. Examination reservations cannot be made at the Promissor Test Center, and **candidates must wait 24 hours before making one.** In some cases, candidates may have to wait up to four (4) weeks to retake an examination, as detailed in *Retake Requirements* on page 3.

Review of Exams

For security reasons, examination material is not available to candidates for review.

Duplicate Score Reports

Candidates may request a duplicate score report from Promissor by completing the form in the back of this handbook and submitting it along with the proper fee.

Promissor Test Center Policies

The following policies are observed at each Promissor Test Center. **Candidates who violate any of these policies will not be permitted to finish the examination and will be dismissed from the test center.**

- **No calculators, cellular phones, beepers, watch alarms, listening devices, recording or photographic devices or any other electronic devices** are permitted during the examination. Lockers, in which candidates may store personal items, are available at most test centers.

- **No dictionaries, books, papers (including scratch paper), and reference materials** are permitted in the examination room, and candidates are strongly urged not to bring such materials to the Promissor Test Center.
- **No personal belongings** such as briefcases or large bags are permitted in the examination room. Any such materials brought into the examination will be collected and returned when the examination has been completed. Promissor is not responsible for lost or misplaced items.
- **No eating, drinking, or smoking** during the examination is permitted.
- **No visitors, guests, pets or children** are allowed at the Promissor Test Center.
- **No leaving the test center** is permitted during the examination without *specific permission* from the proctor. Candidates who receive permission to use the restroom must use the nearest restroom and must go *only* to the restroom, and they won't be allowed any extra time for the examination.
- **No causing a disturbance of any kind or engaging in any kind of misconduct**, such as giving or receiving help; using notes, books, or other aids; taking part in an act of impersonation; or removing examination materials or notes from the examination room. Candidates who do so will be summarily dismissed from the examination and will be reported to the state licensing agency. Decisions regarding disciplinary measures are the responsibility of the state licensing agency.

Preparing for the Exam

Content Outlines

Each examination is based on a detailed content outline of topics, subtopics, and references to applicable state laws, statutes and regulations. These content outlines are provided to publishers of study materials and to state-approved education providers for their use in developing and updating their educational materials and programs. Content outlines are updated periodically to reflect changes in practice, state laws and regulations. Arkansas offers these content outlines as a supplement to the handbook.

Candidates may obtain additional copies of the Arkansas content outlines by contacting Promissor at (888) 204-6259, or from the Promissor Web site (www.promissor.com).

Study Materials

The Insurance Department does not issue study material for use in preparation for licensing examinations. However, actual state insurance laws and regulations provide an invaluable source of information in preparation for the state-specific portion of the major line examinations, and current insurance textbooks and policy forms provide the bases for preparation for the national portion of the major line examinations. In addition, a number of publishers' and suppliers' training courses are available. Neither the Insurance Department nor Promissor can recommend or endorse any particular manual or course or provide information regarding costs or fees. For further information about publications or training courses, please contact sources directly.

Neither the Department nor Promissor takes any responsibility for inaccurate, misleading, incomplete, or outdated study materials.

EXAMS – TIME ALLOTTED AND COMBINATIONS

Exam Name	Section	Time Allowed	Total Exam Time	Combinations
Life	General State	90 minutes 60 minutes	2 ½ hours	Life and Health can be taken together.
Health	General State	90 minutes 60 minutes	2 ½ hours	
Property/Casualty (including commercial lines)	Property Casualty State	80 minutes 80 minutes 50 minutes	3 ½ hours	These exams CANNOT be taken with any other exam.
Personal Lines (Property/Casualty - no commercial lines)	General State	130 minutes 80 minutes	3 ½ hours	
General Adjuster	one section	90 minutes	1 ½ hours	Any three Adjuster exams can be taken together.
Property Adjuster	one section	90 minutes	1 ½ hours	
Casualty Adjuster	one section	90 minutes	1 ½ hours	
Workers' Compensation Adjuster	one section	90 minutes	1 ½ hours	
Crop Hail	one section	90 minutes	1 ½ hours	Any two of these exams can be taken together.
Mobile Homes	one section	90 minutes	1 ½ hours	
Surplus Lines	one section	120 minutes	2 hours	
Fixed Annuity	one section	50 minutes	1 ½ hours	

**LIFE-GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms and Concepts
(50 scoreable questions plus 10 pretest questions)

I. TYPES OF POLICIES

A. Traditional whole life products

1. Ordinary (straight) life
2. Limited-pay and single-premium life
3. Modified and graded premium whole life
4. Adjustable life

B. Interest-sensitive life products

1. Universal life
2. Variable whole life
3. Variable universal life
4. Interest-sensitive whole life

C. Term life

1. Level, decreasing, and increasing term
2. Special features
 - a. Renewable
 - b. Convertible

D. Annuities

1. Single, level, and flexible premium
2. Immediate and deferred
3. Fixed and variable

E. Endowment

F. Combination plans and variations

1. Family policy
2. Family income policy
3. Joint life
4. Survivorship life

**II. POLICY RIDERS, PROVISIONS, OPTIONS,
AND EXCLUSIONS**

A. Policy riders

1. Waiver of premium
2. Guaranteed insurability
3. Payor benefit
4. Accidental death and/or accidental death and dismemberment
5. Term riders
6. Other insureds (e.g., spouse, children, nonfamily)

B. Policy provisions and options

1. Entire contract
2. Insuring clause
3. Free look
4. Consideration
5. Owner's rights
6. Beneficiary designations
 - a. Primary and contingent
 - b. Revocable and irrevocable
 - c. Changes

- d. Common disaster
7. Premium Payment
 - a. Modes
 - b. Grace period
 - c. Automatic premium loan
 - d. Level or flexible
 8. Reinstatement
 9. Policy loans, withdrawals, partial surrenders
 10. Nonforfeiture options
 11. Dividends and dividend options
 12. Incontestability
 13. Assignments
 14. Suicide
 15. Misstatement of age
 16. Settlement options

C. Policy exclusions

**III. COMPLETING THE APPLICATION, UNDERWRITING,
AND DELIVERING THE POLICY**

A. Completing the application

1. Required signatures
2. Changes in the application
3. Consequences of incomplete applications
4. Warranties and representations
5. Collecting the initial premium and issuing the receipt

B. Underwriting

1. Insurable interest
2. Medical information and consumer reports
3. Fair Credit Reporting Act
4. Risk classification

C. Delivering the policy

1. When coverage begins
2. Explaining the policy and its provisions, riders, exclusions, and ratings to the client

**IV. TAXES, RETIREMENT, AND OTHER INSURANCE
CONCEPTS**

A. Third-party ownership

B. Group life insurance

1. Conversion privilege
2. Contributory vs. noncontributory

C. Retirement plans

1. Tax-qualified plans
2. Nonqualified plans

**D. Business insurance (e.g., key employee, buy
and sell agreement, split-dollar, etc.)**

E. Social Security benefits and taxes

**F. Tax treatment of insurance premiums,
proceeds, dividends**

1. Individual life
2. Group life
3. Modified Endowment Contracts (MECs)

G. Accelerated Death Benefits—Living Benefits

LIFE-ARKANSAS SPECIFIC CONTENT OUTLINE

State Statutes, Rules and Regulations

(30 scoreable questions plus 10 pretest questions)

- I. ARKANSAS STATUTES, RULES, AND REGULATIONS COMMON TO LIFE AND HEALTH INSURANCE**
 - A. The Insurance Commissioner**
Ref: 23-60-108; 23-61-102, 103, 108, 110, 201, 202, 301-307
 1. Appointment
 2. General duties and powers
 3. Examination of records
 4. Hearings/notice of hearings/orders
 5. Penalties
 - B. Definitions**
Ref: 23-60-102; 23-63-201, 202; 23-69-102; 23-74-105
 1. Authorized and unauthorized companies
 2. Domestic, foreign, and alien companies
 3. Fraternal
 4. Stock and mutual companies
 5. Certificate of authority
 6. Insurance transaction
 - C. Licensing**
Ref: 23-64-102, 202, 203, 210, 214-218, 220, 223, 301, 302-305; 23-66-209
 1. Persons required to be licensed
 - a. Producer
 - b. Consultant
 - c. Resident/Nonresident
 - d. Temporary license
 2. Producer appointment/termination of contract
 3. Exemptions/exceptions
 4. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Administrative Fees
 5. Renewal, suspension or revocation of license
 - D. Producer responsibilities**
Ref: 23-64-223, 224, 23-65-101
 1. Fiduciary capacity
 2. Commissions
 - E. Life and Health Insurance Guaranty Association Act**
Ref: 23-96-101, 102, 104, 106, 111, 112
 - F. Marketing practices**
Ref: 23-66-206, 210, 211, 306; Rule and Reg. 43:7-9
 1. Unfair claims practices
 2. Unfair methods of competition
 - a. Rebating
 - b. Misrepresentation
 - c. False advertising
 - d. Defamation
 - e. False financial statements
 - f. Boycott, coercion, intimidation
 - g. Unfair discrimination

- h. Twisting
- i. Churning of business

II. ARKANSAS STATUTES, RULES, AND REGULATIONS PERTINENT TO LIFE INSURANCE ONLY

- A. LIFE INSURANCE POLICIES**
Ref: 23-79-103, 23-79-112, 124, 131; 23-81-101-108, 115-118; 122-125, 203; Rule and Reg. 17: 2, 4, 6, 7
 1. Definition
 2. General provisions
 3. Standard Nonforfeiture Law
 4. Life advertising
- B. Group Life**
Ref: 23-79-118, 124; 23-83-101-121
 1. Eligible Groups
 2. Conversion/continuation rights
 3. Standard/required provisions and coverage
- C. Industrial policies**
Ref: 23-82-101, 102, 105, 107
- D. Credit Life insurance**
Ref: 23-87-102, 103, 106, 107, 111, 114
- E. Replacement**
Ref: 23-66-307; Bulletin 6-89; Bulletin 14-83

HEALTH GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(50 scoreable questions plus 10 pretest questions)

- I. TYPES OF POLICIES**
 - A. Disability income**
 1. Individual disability income policy
 2. Business overhead expense policy
 3. Business disability buyout policy
 4. Group disability income policy
 - B. Accidental death and dismemberment**
 - C. Medical expense insurance**
 1. Basic hospital, medical, and surgical policies
 2. Major medical policies
 3. Comprehensive major medical policies
 4. Health Maintenance Organizations (HMOs)
 5. Preferred provider organizations (PPOs)
 6. Multiple Employer Trusts (METs)
 7. Multiple Employer Welfare Association (MEWAs)
 8. Service organizations (Blue Plans)
 - D. Medicare supplement policies**
 - E. Group insurance**
 1. Group conversion
 2. Differences between individual and group contracts
 3. General concepts
 4. COBRA
 - F. Long Term Care**

II. POLICY PROVISIONS, CLAUSES, AND RIDERS

A. Mandatory provisions

1. Entire contract
2. Time limit on certain defenses (incontestable)
3. Grace period
4. Reinstatement
5. Notice of claim
6. Claim forms
7. Proof of loss
8. Time of payment of claims
9. Payment of claims
10. Physical examination and autopsy
11. Legal actions
12. Change of beneficiary

B. Optional provisions

1. Change of occupation
2. Misstatement of age
3. Illegal occupation

C. Other provisions and clauses

1. Insuring clause
2. Free look (10-day, 20-day, etc.)
3. Consideration clause
4. Probationary period
5. Elimination period
6. Waiver of premium
7. Exclusions
8. Preexisting conditions
9. Recurrent disability
10. Coinsurance
11. Deductibles

D. Riders

1. Impairment rider
2. Guaranteed insurability rider
3. Multiple indemnity rider (double, triple)

E. Rights of renewability

1. Noncancelable
2. Cancelable
3. Guaranteed renewable
4. Conditionally renewable
5. Optionally renewable
6. Period of time

III. SOCIAL INSURANCE

A. Medicare

1. Primary, secondary payor

B. Medicaid

C. Social Security benefits

IV. OTHER INSURANCE CONCEPTS

A. Total, partial, and residual disability

B. Owner's rights

C. Dependent children benefits

D. Primary and contingent beneficiaries

E. Modes of premium payments (annual, semiannual, etc.)

F. Nonduplication and coordination of benefits (e.g., primary vs. excess)

G. Occupational vs. nonoccupational

H. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income and medical expenses, etc.)

I. Managed care

V. FIELD UNDERWRITING PROCEDURES

A. Completing application and obtaining necessary signatures

B. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)

C. Upon payment of initial premium, giving prospect conditional receipt and explaining the effect of that receipt (e.g., medical examination, etc.)

D. Submitting application (and initial premium if collected) to company for underwriting

E. Assuring delivery of policy to client

F. Explaining policy and its provisions, riders, exclusions, and ratings to clients

G. In cases where initial premium did not accompany application, obtaining signed statement of continued good health and obtaining premium for transmittal

H. Contract law

1. Requirements of a contract
2. Insurable interest
3. Warranties and representations
4. Unique aspects of the health contract
 - a. Conditional
 - b. Unilateral
 - c. Adhesion

HEALTH ARKANSAS SPECIFIC CONTENT OUTLINE

State Statutes, Rules and Regulations

(30 questions plus 10 pretest questions)

I. ARKANSAS STATUTES, RULES, AND REGULATIONS COMMON TO LIFE AND HEALTH INSURANCE

A. The Insurance Commissioner

Ref: 23-60-108; 23-61-102, 103, 108, 110, 201, 202, 301-307

1. Appointment
2. General duties and powers
3. Examination of records
4. Hearings /notice of hearings/orders
5. Penalties

B. Definitions

Ref: 23-60-102; 23-63-201, 202; 23-69-102; 23-74-105

1. Authorized and unauthorized companies
2. Domestic, foreign, and alien companies
3. Fraternal
4. Stock and mutual companies
5. Certificate of authority
6. Insurance transaction

C. Licensing

Ref: 23-64-102, 202, 203, 210, 214-218, 220, 223, 301-305; 23-66-209

1. Persons required to be licensed
 - a. Producer
 - b. Consultant
 - c. Resident/Nonresident
 - d. Temporary license
2. Producer appointment/ termination of contract
3. Exceptions/exemptions
4. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Administrative Fees
5. Renewal, suspension or revocation

D. Producer responsibilities

Ref: 23-64-223, 224; 23-65-101

1. Fiduciary capacity
2. Commissions

E. Life and Health Insurance Guaranty Association Act

Ref: 23-96-101, 102, 104, 106, 111, 112

F. Marketing practices

Ref: 23-66-206, 210, 211, 306; Rule and Reg. 43: 7-9

1. Unfair Claims practices
2. Unfair methods of competition
 - a. Rebating
 - b. Misrepresentation
 - c. False advertising
 - d. Defamation
 - e. False financial statements
 - f. Controlled business
 - g. Boycott, coercion, intimidation
 - h. Unfair discrimination
 - i. Twisting
 - j. Churning of business

II. ARKANSAS LAWS, RULES, AND REGULATIONS PERTINENT TO HEALTH INSURANCE ONLY

A. Policy Provisions

Ref: 23-62-103; 23-79-119, 129, 139; 23-85-104-120, 123, 126, 131, 133; 23-99-203; Rule and Reg. 18: 5, 7 Rule and Reg. 19: 7

1. Policy requirements
2. Coverages
 - a. Coverage for newborns
 - b. Coverage for mental health services
 - c. Coverage for maternity benefits
 - d. Coverage for chiropractic services
 - e. Coverage for substance abuse

B. Medicare Supplement

Ref: 23-79-402-407; Rule and Reg. 18: 5; Rule and Reg. 27: 1, 6, 8, 9, 16, 17

1. Minimum standards
2. Provisions

C. Health advertising

Ref: Rule and Regs. 11: 1, 4-8, 17

D. Long Term Insurance Care Act

Ref: 23-97-202--205, 208-211; Rule and Reg. 18: 5

1. Minimum standards
2. Provisions

E. Group/Blanket health

Ref: 23-86-101-104, 106-109, 112-116

1. Standards
2. Provisions

F. Small Group coverage

Ref: 23-86-202-204, 208

1. Small employer
2. Eligible employee
3. Provisions

G. Health Maintenance Organizations

Ref: 23-76-101, 102, 109, 112, 114, 115; 23-99-203

H. Comprehensive Health Insurance Pool Act

Ref: 23-79-509, 510

I. COBRA Health- State Continuation

**PROPERTY-GENERAL KNOWLEDGE
CONTENT OUTLINE**

Product Knowledge, Terms and Concepts

(50 scoreable questions plus 10 pretest questions)

Note: To the extent that the specific contracts, forms, and endorsements dealt with in this outline are available in standardized versions, outline references are to items developed by (1) Insurance Services Office; (2) National Council on Compensation Insurance; (3) Surety Association of America.

I. TYPES OF POLICIES

A. Personal lines

1. Dwelling and contents (DP forms)
2. Personal liability
3. Homeowners (HO forms)
4. Mobile Homes

B. Commercial lines

1. Commercial property
 - a. Commercial building and personal property form
 - b. Causes of loss forms
 - c. Business income
 - d. Extra expense
2. Commercial Package Policy (CPP)
3. Equipment Breakdown Coverage
4. Businessowners Policy (BOP)

C. Inland marine

1. Personal floaters
2. Commercial floaters
3. Nationwide Definition

D. Others

1. Flood
2. Personal Watercraft
3. Commercial Ocean Marine
4. Earthquake

II. INSURANCE TERMS AND RELATED CONCEPTS

- A. Insurance
 - B. Insurable interest
 - C. Risk
 - D. Hazard
 - E. Peril
 - F. Loss
 - 1. Direct
 - 2. Indirect
 - G. Proximate cause
 - H. Deductible
 - I. Indemnity
 - J. Actual cash value
 - K. Replacement cost
 - L. Limits of liability
 - M. Coinsurance/Insurance to value
 - N. Pair and set clause
 - O. Extensions of coverage
 - P. Additional coverages
 - Q. Accident
 - R. Occurrence
 - S. Cancellation
 - T. Nonrenewal
 - U. Vacancy and unoccupancy
 - V. Right of salvage
 - W. Abandonment
 - X. Liability
 - Y. Negligence
- III. POLICY PROVISIONS AND CONTRACT LAW
- A. Declarations
 - B. Insuring agreement
 - C. Conditions
 - D. Exclusions
 - E. Definition of the insured
 - F. Duties of the insured
 - G. Obligations of the insurance company
 - H. Mortgagee rights
 - I. Proof of loss
 - J. Notice of claim
 - K. Appraisal
 - L. Other Insurance Provision
 - M. Assignment
 - N. Subrogation
 - O. Arbitration
 - P. Elements of a contract
 - Q. Warranties, representations, and concealment
 - R. Binders
 - S. Sources of insurability information
 - T. Fair Credit Reporting Act

CASUALTY-GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(50 scoreable questions plus 10 pretest questions)

Note: To the extent that the specific contracts, forms and endorsements dealt with in this outline are available in standardized versions, outline references are to items developed by (1) Insurance Services Office; (2) National Council on Compensation Insurance; (3) Surety Association of America.

I. TYPES OF POLICIES, BONDS, AND RELATED TERMS

A. Commercial general liability

1. Basic Hazards
 - a. Premises and Operations
 - b. Products and Completed Operations
 - c. Independent Contractors
 - d. Insured Contracts
2. Commercial General Liability Coverage Forms
 - a. Coverage A: Bodily Injury and Property Damage Liability
 - (1) Occurrence
 - (2) Claims Made
 - (a) Extended Reporting Periods: Basic and Supplemental
 - (b) Retroactive Date
 - b. Coverage B: Personal Injury and Advertising Injury
 - c. Coverage C: Medical Payments
 - d. Supplementary Payments
 - e. Who is an insured
 - f. Limits
 - g. Conditions (The candidate also should be familiar with ISO's Common Policy Conditions)
 - h. Definitions
3. Owners and Contractors Protective Liability

B. Automotive: personal auto and business auto

1. Liability
2. Medical Payments
3. Physical damage (collision and other than collision/comprehensive)
4. Uninsured motorists
5. Underinsured motorists
6. Who is an insured
7. Types of Auto
 - a. Owned
 - b. Non-owned
 - c. Hired
 - d. Temporary Substitute
8. Garage Coverage Form, including Garagekeepers insurance

C. Workers Compensation insurance, Employers Liability insurance, and Related Issues

(This section does not deal with specifics of state law, which are addressed elsewhere in this outline.)

1. Standard policy concepts

- 2. Self-insurers
- 3. Work-related vs. non-work-related
- 4. Other states' insurance
- D. Crime**
 - 1. Employee Theft
 - 2. Inside the Premises- Theft of Money and Securities
 - 3. Inside the Premises- Robbery or Safe Burglary of Other Property
 - 4. Inside the Premises- Robbery or Burglary of Other Property
 - 5. Definitions
 - a. Custodian
 - b. Messenger
 - c. Guard or watchperson
- E. Surety Bonding**
 - 1. Definitions
 - a. Obligee
 - b. Principal
 - c. Surety
- F. Professional liability**
 - 1. Errors and Omissions
 - 2. Directors and Officers
- G. Umbrella/Excess liability**

II. INSURANCE TERMS AND RELATED CONCEPTS

- A. Risk**
- B. Hazard**
- C. Indemnity**
- D. Insurable interest**
- E. Actual cash value**
- F. Negligence**
- G. Liability**
- H. Accident**
- I. Occurrence**
- J. Burglary**
- K. Robbery**
- L. Theft**
- M. Mysterious disappearance**
- N. Binders**
- O. Warranties**
- P. Representations**
- Q. Concealment**
- R. Bodily injury liability**
- S. Property damage liability**
- T. Personal injury liability**
- U. Limits of liability**
- V. Deductibles**
- W. Insured contract**
- X. Deposit Premium/Audit**
- Y. Certificate of Insurance**

III. POLICY PROVISIONS

- A. Declarations**
- B. Insuring agreement**
- C. Conditions**
- D. Exclusions and Limitations**
- E. Definition of the insured**

- F. Duties of the insured after a loss**
- G. Cancellation and nonrenewal provisions**
- H. Additional (supplementary) payments**
- I. Proof of loss**
- J. Notice of claim**
- K. Arbitration**
- L. Other insurance**
- M. Subrogation**
- N. Compliance with provisions of Fair Credit Reporting Act**
- O. Claims made policy form**
- P. Additional Insured Endorsements**
- Q. Loss settlement provisions including consent to settle a loss**

MULTI-LINE (P&C) ARKANSAS SPECIFIC CONTENT OUTLINE State Statutes, Rules and Regulations (25 questions plus 5 pretest questions)

I. STATE STATUTES, RULES, AND REGULATIONS COMMON TO LIFE, HEALTH, PROPERTY, AND CASUALTY INSURANCE

A. The Insurance Commissioner

Ref: 23-60-108; 23-61-102, 103, 108, 110, 201, 202; 301-307

- 1. Appointment
- 2. General duties and powers
- 3. Examination of records
- 4. Hearings / notice of hearings
- 5. Penalties

B. Definitions

Ref: 23-60-102; 23-63-201, 202; 23-69-102; 23-74-105

- 1. Authorized and unauthorized companies
- 2. Domestic, foreign, and alien companies
- 3. Fraternal
- 4. Stock and mutual companies
- 5. Certificate of authority
- 6. Insurance transaction

C. Licensing

Ref: 23-64-102, 202, 203, 210, 214- 218, 220, 223, 301-305; 23-66-209

- 1. Persons required to be licensed
 - a. Producer
 - b. Adjuster
 - c. Consultant
 - d. Resident/Nonresident
 - e. Temporary license
- 2. Producer appointment/ termination of contract
- 3. Exemptions/ exceptions
- 4. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Administrative fees

- 5. Renewal, suspension or revocation of license
 - D. Producer responsibilities**
Ref: 23-64-223, 224; 23-65-101
 - 1. Fiduciary capacity
 - 2. Commissions
 - E. Property and Casualty Insurance Guaranty Association**
Ref: 23-90-102-104, 106, 111, 112
 - F. Marketing practices**
Ref: 23-66-206, 210, 211, 306; Rule and Reg. 43: 7-9
 - 1. Unfair claims practices
 - 2. Unfair methods of competition
 - a. Rebating
 - b. Misrepresentation
 - c. False advertising
 - d. Defamation
 - e. False financial statements
 - f. Boycott, coercion, intimidation
 - g. Unfair discrimination
 - h. Twisting
- II. ARKANSAS STATUTES, RULES AND REGULATIONS COMMON TO MULTI-LINE (P&C) INSURANCE ONLY**
- A. Definitions**
Ref: 23-62-104, 105, 107; 23-65-303-305, 308, 309; 23-79-307, 23-88-101; Title 16-64-122
 - 1. Surplus Lines
 - 2. Adjusting
 - 3. Property insurance
 - 4. Casualty insurance
 - 5. Marine insurance
 - 6. Valued Policy Law
 - 7. Comparative Fault
 - 8. Commercial Liability
 - 9. Nonrenewal
 - B. Rural Risk Underwriting**
Ref: 23-88-301, 303, 304, 306
 - 1. Definitions
 - 2. Coverage/provisions
 - C. Anti-Arson applications**
Ref: 23-88-202-210
 - 1. Provisions
 - 2. Notice of change
 - 3. Cancellations
 - D. Homeowners Coverage**
Ref: 23-62-104; 23-66-206, 210
 - 1. Provisions
 - 2. Cancellation/renewal/nonrenewal
 - E. Farmowners**
 - F. Automobile insurance**
Ref: 23-89-202, 209, 303-305; 401, 403, 404; Title 27-19-605, 711-713; Title 27-22-104
 - 1. Required coverage/liability limits
 - 2. Financial responsibility/proof of insurance
 - 3. Uninsured/underinsured motorist
 - 4. Cancellation/non-renewal

- G. Arkansas Automobile Insurance Plan**
Ref: 23-89-307; Title 27-19-106
 - 1. Personal
- H. Employers Liability and Workers Compensation**
Ref: 23-67-304; Title 11-9-101, 102, 201, 205, 401, 403, 501, 502, 508, 509, 516, 527, 701
 - 1. Definitions
 - 2. Coverages/benefits

PERSONAL LINES GENERAL KNOWLEDGE CONTENT OUTLINE

Product Knowledge, Terms and Concepts

(75 scoreable questions plus 11 pretest questions)

- I. TYPES OF PROPERTY POLICIES**
 - A. Property: Personal lines**
 - 1. Dwelling and contents (DP forms)
 - 2. Homeowners (HO forms)
 - B. Inland marine**
 - 1. Personal floaters
 - C. Other types of property policies**
 - 1. Flood
 - 2. Personal Watercraft
 - 3. Earthquake
 - 4. Mobile Homes
- II. TYPES OF CASUALTY POLICIES**
 - A. Personal Automobile**
 - 1. Liability
 - 2. Medical Payments
 - 3. Physical damage (collision and other than collision)
 - 4. Uninsured motorists
 - 5. Underinsured motorists
 - 6. Who is an insured
 - 7. Types of Auto
 - a. Owned
 - b. Temporary Substitute
 - 8. Use and Eligibility of Auto
 - B. Personal Liability**
 - C. Umbrella/Excess Liability**
 - D. Other Personal Exposures**
 - 1. Errors and Omissions
- III. PROPERTY AND CASUALTY INSURANCE TERMS AND RELATED CONCEPTS**
 - A. Insurable interest**
 - B. Risk**
 - C. Hazard**
 - D. Peril**
 - E. Loss**
 - 1. Direct
 - 2. Indirect
 - F. Proximate cause**
 - G. Deductible**
 - H. Indemnity**

- I. Actual cash value
 - J. Replacement cost
 - K. Limits of liability
 - L. Pair and set clause
 - M. Extensions of coverage
 - N. Additional coverages
 - O. Accident
 - P. Occurrence
 - Q. Vacancy and unoccupancy
 - R. Right of salvage
 - S. Abandonment
 - T. Liability
 - U. Negligence
 - V. Theft
 - W. Burglary
 - X. Robbery
 - Y. Mysterious disappearance
 - Z. Binders
 - AA. Bodily injury liability
 - BB. Property damage liability
 - CC. Personal injury liability
 - DD. Certificate of insurance
 - EE. Risk management
 - FF. Professional designations
- IV. PROPERTY AND CASUALTY POLICY PROVISIONS AND CONTRACT LAW**
- A. Declarations
 - B. Insuring agreement
 - C. Conditions
 - D. Exclusions
 - E. Definitions
 - F. Duties of the insured after a loss
 - G. Obligations of the insurance company
 - H. Mortgagee rights
 - I. Proof of loss
 - J. Notice of claim
 - K. Appraisal
 - L. Other Insurance
 - M. Assignment
 - N. Subrogation
 - O. Elements of a contract
 - P. Sources of underwriting information
 - Q. Compliance with provisions of Fair Credit Reporting Act
 - R. Cancellation and Nonrenewal provisions
 - S. Additional (supplementary) payments
 - T. Loss settlement provisions including consent to settle a loss
 - U. Limitations
 - V. Representations and misrepresentations
 - W. Concealment
 - X. Arbitration
 - Y. Coinsurance
 - Z. Endorsements
 - AA. Premium Payments
 - BB. Effective dates of coverage

PERSONAL LINES ARKANSAS SPECIFIC CONTENT OUTLINE

State Statutes, Rules and Regulations

(25 scoreable questions plus 2 pretest questions)

- I. STATE STATUTES, RULES, AND REGULATIONS COMMON TO PROPERTY AND CASUALTY INSURANCE**
- A. The Insurance Commissioner**
Ref: 23-60-108; 23-61-102, 103, 108, 110, 201, 202; 301-307
- 1. Appointment
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- B. Definitions**
Ref: 23-60-102; 23-63-201, 202; 23-69-102; 23-74-105
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 - 2. Domestic, foreign, and alien companies
 - 3. Fraternal
 - 4. Stock and mutual companies
 - 5. Certificate of authority
 - 6. Insurance transaction
- C. Licensing**
Ref: 23-64-102, 202, 203, 210, 214- 218, 220, 223, 301-305; 23-66-209
- 1. Persons required to be licensed
 - a. Producer
 - b. Adjuster
 - c. Consultant
 - d. Resident/Nonresident
 - e. Temporary license
 - 2. Producer appointment/ termination of contract
 - 3. Exemptions/ exceptions
 - 4. Maintaining a license
 - a. Continuing education
 - b. Change of address
 - c. Administrative fees
 - 5. Renewal, suspension or revocation of license
- D. Producer responsibilities**
Ref: 23-64-223, 224; 23-65-101
- 1. Fiduciary capacity
 - 2. Commissions
- E. Property and Casualty Insurance Guaranty Association**
Ref: 23-90-102-104, 106, 111, 112
- F. Marketing practices**
Ref: 23-66-206, 210, 211, 306; Rule and Reg. 43: 7-9
- 1. Unfair claims practices
 - 2. Unfair methods of competition
 - a. Rebating
 - b. Misrepresentation
 - c. False advertising

- d. Defamation
- e. False financial statements
- f. Boycott, coercion, intimidation
- g. Unfair discrimination
- h. Twisting

II. ARKANSAS STATUTES, RULES AND REGULATIONS COMMON TO PERSONAL LINES INSURANCE ONLY

A. Definitions

Ref: 23-62-104, 105, 107; 23-65-303-305, 308, 309; 23-79-307, 23-88-101; Title 16-64-122

- 1. Adjusting
- 2. Property insurance
- 3. Casualty insurance
- 4. Marine insurance
- 5. Policy Law
- 6. Comparative Fault
- 7. Nonrenewal

B. Rural Risk Underwriting

Ref: 23-88-301, 303, 304, 306

- 1. Definitions
- 2. Coverage/provisions

C. Homeowners Coverage

Ref: 23-62-104; 23-66-206, 210

- 1. Provisions
- 2. Cancellation/renewal/nonrenewal

D. Farm owners

E. Automobile insurance

Ref: 23-89-202, 209, 303-305; 401, 403, 404; Title 27-19-605, 711-713; Title 27-22-104

- 1. Required coverage/liability limits
- 2. Financial responsibility/proof of insurance
- 3. Uninsured/underinsured motorist
- 4. Cancellation/non-renewal

F. Arkansas Automobile Insurance Plan

Ref: 23-89-307; Title 27-19-106

- 1. Personal

ARKANSAS GENERAL ADJUSTER CONTENT OUTLINE

(25 scoreable questions)

I. GENERAL INSURANCE DEFINITIONS

- A. Policies
- B. Dates
- C. Attachments
- D. Binders
- E. Subrogation
- F. Value
- G. Proof of Loss
- H. Claimant

II. ARKANSAS INSURANCE COMMISSIONER, LICENSING

- A. Duties of the Commissioner
- B. Adjuster licensing
- C. Resident/Nonresident

- D. Suspension, revocation

III. UNFAIR TRADE PRACTICES

IV. GENERAL ADJUSTING PRACTICES

- A. Claim settlement practices
- B. Liability
- C. Representation
- D. Investigation

ARKANSAS PROPERTY ADJUSTER CONTENT OUTLINE

(25 scoreable questions)

I. GENERAL PROPERTY DEFINITIONS

- A. Policies
- B. Concurrent insurance
- C. Actual Cash Value
- D. Causation
- E. Loss

II. ARKANSAS PROPERTY FORMS/COVERAGES

- A. Homeowners
- B. Fire
- C. Condominium
- D. Dwelling
- E. Commercial

III. ARKANSAS PROPERTY ADJUSTING

- A. Adjusting practices
- B. Loss settlement
- C. Total/partial loss
- D. Coinsurance

ARKANSAS CASUALTY ADJUSTER CONTENT OUTLINE

(25 scoreable questions)

I. GENERAL CASUALTY DEFINITIONS

- A. Bodily injury
- B. Comparative fault
- C. Actual cash value
- D. Statements
- E. Depreciation
- F. Burden of proof
- G. Waivers

II. ARKANSAS CASUALTY POLICIES/COVERAGES

- A. Automobile
- B. Liability
- C. Personal injury protection (PIP)

III. ARKANSAS CASUALTY ADJUSTING

- A. Claims practices
- B. Loss settlement
- C. Liability
- D. Coinsurance

**ARKANSAS
WORKERS COMPENSATION
ADJUSTER
CONTENT OUTLINE**

(25 scoreable questions)

- I. WORKERS COMPENSATION DEFINITIONS
 - A. Employee
 - B. Employer
 - C. Audits
 - D. Waiting period
 - E. Second Injury Fund
- II. ARKANSAS WORKERS COMPENSATION LAW
 - A. Coverage
 - B. Filings
 - C. Payments
 - D. Benefits
- III. ARKANSAS WORKERS COMPENSATION ADJUSTING
 - A. Claims practices
 - B. Wage determinations
 - C. Hearing
 - D. Medical examinations
 - E. Settlements/awards

**ARKANSAS CROP HAIL
CONTENT OUTLINE**

(25 scoreable questions)

- I. GENERAL INSURANCE DEFINITIONS
 - A. Risk
 - B. Peril
 - C. Indemnity
 - D. Negligence
 - E. Binder
 - F. Loss
 - G. Assignment
- II. INSURANCE COMMISSIONER, LICENSING
 - A. Powers and duties of the Insurance Commissioner
 - B. Producer licensing
- III. UNFAIR TRADE PRACTICES
- IV. ARKANSAS CROP HAIL
 - A. Crop Hail organizations
 - B. Measurement/identification
 - C. Multi Peril crop insurance
 - D. Loss
 - E. Federal acts
 - F. Adjusting
 - G. Other coverages
 - H. Crop definitions

**ARKANSAS FIXED ANNUITY
CONTENT OUTLINE**

(25 scoreable questions)

- I. GENERAL ANNUITY DEFINITIONS
 - A. Annuity
 - B. Cash surrender value
 - C. General account
 - D. Separate account
 - E. Settlement options
- II. ARKANSAS INSURANCE DEPARTMENT, LICENSING
 - A. Arkansas Insurance Department
 - B. Producer licensing
 - C. Change of address
- III. UNFAIR TRADE PRACTICES
- IV. FIXED ANNUITIES
 - A. Definitions
 - B. Payment
 - C. Payout options
- V. OTHER ANNUITIES
 - A. Immediate
 - B. Variable
 - C. Concepts

**ARKANSAS MOBILE HOME
CONTENT OUTLINE**

(25 scoreable questions)

- I. GENERAL INSURANCE DEFINITIONS/COVERAGES
 - A. Policy rating
 - B. Deductible
 - C. Replacement cost
 - D. Federal flood laws
 - E. Coverages
 - 1. Personal Effects
 - 2. Collision
 - 3. Liability
 - 4. Additional Living Expense
 - 5. Vendors Single Interest Protection
- II. ARKANSAS INSURANCE LICENSING/PRACTICES
 - A. Producer responsibilities
 - B. License renewal, suspension
 - C. Administrative Regulatory Fee
 - D. Shared commissions
- III. ARKANSAS MOBILE HOME INSURANCE
 - A. Declarations
 - B. Coverage
 - C. Loss
 - D. Policy terms

ARKANSAS SURPLUS LINES CONTENT OUTLINE

(50 scoreable questions)

- I. GENERAL INSURANCE DEFINITIONS**
 - A. Actual cash value
 - B. Agreed value
 - C. Coinsurance
 - D. Insurable interest
 - E. Loss
 - F. Negligence
 - G. Physical hazard
 - H. Proximate cause
 - I. Reinsurance
 - J. Replacement cost
 - K. Risk
 - L. Salvage
- II. POLICIES, COVERAGES, FORMS**
 - A. Commercial General Liability
 - B. Building and Personal Property
 - C. Claims Made
 - D. Extended coverage
 - E. Employee Dishonesty
 - F. Liability
 - 1. Contingent
 - 2. Umbrella
 - 3. Contractual
- III. ARKANSAS INSURANCE COMMISSIONER,
SURPLUS LINES LICENSING**
 - A. Powers and duties of the Insurance Commissioner
 - B. Filings
 - C. Required bonds
 - D. License requirements, issuance
 - E. License revocation, suspension
- IV. ARKANSAS SURPLUS LINES LAW**
 - A. Purpose
 - B. Reports, records
 - C. Coverage
 - D. Definitions
 - E. Premiums, evidence of insurance
 - F. Policy wording
 - G. Premium tax

Today's Date:		Time of Day:		Candidate/Sponsor Signature:	
Last Name:			First Name:		Initial:
Birth Date: / /		Social Security Number: - -		Your Fax #: ()	
Address:					
City:		State:	ZIP:	Telephone: ()	
Test Center Code:		Exam Session: <input type="checkbox"/> am <input type="checkbox"/> pm		Exam Date: / /	
1 st Exam Code:	2 nd Exam Code:	2 nd Choice: <input type="checkbox"/> am <input type="checkbox"/> pm		2 nd Date: / /	
School Code:	May we register you for the next exam date if your two choices are taken? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Email address:					
CREDIT CARD PAYMENTS: <input type="checkbox"/> MasterCard <input type="checkbox"/> Visa <input type="checkbox"/> AmExpress <input type="checkbox"/> Discover Card #: _____ Expiration Date: / / Signature: _____			ELECTRONIC CHECK PAYMENTS: Bank Name: _____ Account #: _____ SS# / License #: _____ Name/Address on Account: (if different from above) _____		
FOR Promissor Use ONLY Promissor ID# Assigned: Reservation Date: / / Time: TC#:			VOUCHER #		

Fax to Promissor at (888) 204-6291

DIRECTIONS: You may use this form to request that Promissor send a duplicate copy of your score to you. Please print or type all information on this form.

Please enclose cashier's check or money order made payable to "Promissor". DO NOT SEND CASH.

FEE: \$10.00 for scores less than one year old
\$25.00 for scores one or more years old

SEND TO: Promissor Processing Center
ARKANSAS INSURANCE
DUPLICATE SCORE
PO Box 8588
Philadelphia, PA 19101-8588

Amount Enclosed:

\$

I hereby authorize Promissor to send to me at the address above a duplicate of my scores from the insurance program.

Signature

Date

Please complete the following form with your current name and address.

Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

If the above information was different at the time you tested, please indicate original information.

Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

Exam Taken: _____

Date Taken: _____

Social Security Number: _____

Confirmation Number: _____ Licensing Jurisdiction: _____

Special Accommodations Request Form

Any individual who has a physical or mental impairment or limitation described as a disability under the Americans with Disabilities Act (ADA) may request special testing arrangements.

Candidates who wish to request special accommodations because of a disability should fax this form to Promissor at (610) 617-9397. Documentation on official letterhead from a physician, school official, licensed psychiatrist, licensed psychologist or other appropriate authority should be included with the form. This documentation should identify the disability and the need for the requested accommodations, and may be in the form of a letter, test results, signed school Individual Education Plan diagnosis and plan, or other official documentation identifying the disability and the accommodations prescribed.

PLEASE PRINT CLEARLY

Date:

Last Name:

First Name:

M.I.:

Address:

City:

State:

ZIP:

Daytime Telephone: ()

Description of Disability:

- ☐ Large-print written exam
 ☐ Marker
 ☐ Additional time
 ☐ Reader
 ☐ Separate testing room
 ☐ Sign language interpreter
☐ Other equipment or accommodation (please explain):

Accommodations previously provided to you (list accommodation and purpose, such as "sign language interpreter for SAT examination"):

Candidates who have questions about special accommodations should contact Promissor:

Promissor Test Center Operations • 3 Bala Plaza West, Suite 300 • Bala Cynwyd, PA 19004
Phone: (800) 274-3707 (choose option 1) • TDD: (800) 274-2617 • Fax: (610) 617-9397

Note: Only candidates who require special testing accommodations should use this form. Only this side of the form need be completed and faxed.

Arkansas Voucher Request Form

PLEASE PRINT CLEARLY

Date:

Last Name:

First Name:

Initial:

Address:

City:

State:

ZIP:

Payment Type:
 ☐ Money order
 ☐ Company check
 ☐ Cashier's check

Day Phone: ()

Evening Phone: ()

Email Address (if you would like Promissor to email the voucher #):

Name of Examination:

Make all checks payable to "Promissor" and mail this form to:

Promissor, c/o AP Voucher Program, PO Box 41508, Philadelphia, PA 19101-1508

**Instructions for Arkansas State Police Individual Record Check Form
For the Arkansas Insurance Department Producer/Adjuster License (Form ASP-122)**

Procedure for Criminal History Check:

1. The ASP form 122, Individual Record Check Form, must be completed in its entirety. In complete or illegible applications will be returned unprocessed. Names listed must be full legal names. Nicknames are not acceptable. The signature should be the full legal name.
2. A business check or money order in the amount of \$20.00, made payable to the Arkansas Insurance Department and must be attached to the form. Personal checks will not be accepted.
3. The form must be notarized.

If you are completing an application for an exam permit, attach the completed, notarized form and mail it to the local Promissor processing office at the address listed below.

**Promissor
1123 South University
Suite 915
Little Rock, AR 72204**

SEE OTHER SIDE FOR APPLICATION

**Identification Bureau
Individual Record Check Form**Full Name: _____
First Middle Last Name Maiden/OtherDate of Birth: _____ State of Birth: _____ Race: ____ Sex: ____
(Month/Day/Year)Social Security #: _____ Driver's License #: _____
StateMailing Address: _____
Street City State ZIP

Daytime Phone #: (____) _____

I GIVE MY CONSENT FOR THE ARKANSAS STATE POLICE TO CONDUCT A CRIMINAL
RECORD SEARCH ON MYSELF AND RELEASE ANY RESULTS TO THE FOLLOWING
PERSON OR ENTITY:Name: _____
(First/MI/Last Name) or Full Name of AgencyMailing Address: _____
Street City State ZIPSignature: _____ Date: _____
(First/MI/Last Name) (Month/Day/Year)**(NO REQUEST WILL BE PROCESSED WITHOUT A NOTARIZED SIGNATURE)**

STATE OF _____

§

COUNTY OF _____

Subscribed and sworn before me, a Notary Public, in and for the county and state

aforesaid, this the _____ day of _____, 20 _____.

Notary Public☐ 82001 Civil Record Check

General Information

Candidates may call (888) 204-6259 to make an exam reservation.

Promissor Test Centers		
Code	Location	Schedule
0417	Springdale, AR	Tuesday–Saturday
0416	Little Rock, AR	Tuesday–Saturday
4324	Memphis, TN	Tuesday–Saturday
0418	Texarkana, TX	1st Saturday of the month

Locations and schedules are subject to change.

Available Exams	
Major Lines	Limited Lines
01 Life	31 Crop Hail
02 Health	79 Mobile Home
03 Multi-Line (Property & Casualty)	86 Fixed Annuity
14 General Adjuster	
15 Property Adjuster	
16 Casualty Adjuster	
17 Worker's Compensation Adjuster	
55 Personal Lines	
82 Surplus Lines	

Refer to the chart on page 8 for allowable exam combinations.

Exam Fees					
Type of License	Number of Exams	Fee	Type of License	Number of Exams	Fee
Producer/Agent	single examination	\$84	Consultant	single examination	\$124
Producer/Agent	two examinations	\$96	Consultant	two examinations	\$136
Producer/Broker	single examination	\$114	Adjuster	single examination	\$124
Producer/Broker	two examinations	\$126	Adjuster	two examinations	\$136
Surplus Lines Agent	single examination	\$1098	Adjuster	three examinations	\$148
Reexamination Fees					
Consultant and adjuster candidates must pay \$72 for one examination, \$84 for two examinations, and \$96 for three examinations (adjusters only). Producer/agents and producer/brokers pay \$62 for one examination, and \$74 for two.					

Promissor Holiday Schedule

No exams on the following holidays or holiday weekends:

New Year's Day/Weekend

Martin Luther King, Jr. Day

Presidents' Day

Spring Holiday

Memorial Day/Weekend

Independence Day/Weekend

Labor Day/Weekend

Columbus Day

Thanksgiving Day/Weekend

Christmas Day/Weekend